<u>In the Claims:</u>

Kindly CANCEL claims 1-50, without prejudice.

Kindly ADD the following new claims 51-106:

-- 51. (New) A method for facilitating the sale of an item, comprising:

initiating an auction for an item;

receiving a bid for the item, the bid made by a bidding auction participant;

identifying a transformation function associated with the bid;

applying the transformation function to the bid to produce a transformed bid;

updating a state of the auction based on the transformed bid; and

generating status data representing the updated state of the auction.

52. (New) A method of claim 51, further comprising:

receiving a status request from a requesting auction participant;

identifying a second transformation function associated with the status request;

applying the second transformation function to the status data to produce a transformed

status; and

displaying the transformed status to the requesting auction participant.

53. (New) A method of claim 52, wherein the auction is a sell-side auction and wherein the

bid is an offer to purchase, and wherein the bidding auction participant is a buyer.

54. (New) A method of claim 53, further comprising:

registering a seller as a participant in the auction;

identifying at least one seller-associated transformation; and

establishing sell-side auction rules.

55. (New) A method of claim 54, wherein the requesting auction participant is a seller, and

the second transformation function applied to the status data is the at least one seller-associated

transformation.

56.   (New) A method of claim 54, further comprising:

registering at least one buyer desiring the item; and

identifying at least one buyer-associated transformation for the at least one registered

buyer.

57.   (New) A method of claim 56, wherein the transformation function applied to the bid is

the at least one buyer-associated transformation.

58.   (New) A method of claim 56, wherein the requesting auction participant is a buyer, and

the second transformation function applied to the status data is the at least one buyer-associated

transformation.

59.   (New) A method of claim 53, further comprising receiving and transforming multiple

bids wherein updating the state of the auction further comprises:

comparing the multiple transformed bids to determine which bid is the current best bid;
and

updating the state of the auction to identify the current best bid.

60.   (New) The method of claim 59, further comprising:

awarding the item to the buyer for the terms set forth in the bid if the transformed bid is

the current best bid at an end of a bidding period for the item.

61.   (New) The method of claim 53, further comprising:

identifying a winning buyer associated with a current best bid at the end of the auction;
and

notifying the winning buyer of the successful current best bid.

62.   (New) The method of claim 61, further comprising:

notifying the seller of the winning buyer and the successful bid.

63. (New) A method of claim 52, wherein the auction is a buy-side auction and wherein the bid is an offer to sell, and wherein the bidding auction participant is a seller.

64. (New) A method of claim 63, further comprising:

registering a buyer as a participant in the auction;

identifying at least one buyer-associated transformation; and

establishing buy-side auction rules.

65. (New) A method of claim 64, wherein the requesting auction participant is a buyer, and the second transformation function applied to the status data is the at least one buyer-associated transformation.

66. (New) A method of claim 64, further comprising:

registering at least one seller offering the item; and

identifying at least one seller-associated transformation for the at least one registered seller.

67. (New) A method of claim 66, wherein the transformation function applied to the bid is the at least one seller-associated transformation.

68. (New) A method of claim 66, wherein the requesting auction participant is a seller, and the second transformation function applied to the status data is the at least one seller-associated transformation.

69. (New) A method of claim 63, further comprising receiving and transforming multiple bids wherein updating the state of the auction further comprises:

comparing the multiple transformed bids to determine which bid is the current best bid; and

updating the state of the auction to identify the current best bid.

70. (New) The method of claim 63, further comprising:

awarding the sale of the item to the seller for the terms set forth in the bid if the transformed bid is the current best bid at an end of a bidding period for the item.

71.   (New) The method of claim 63, further comprising:

identifying a winning seller associated with a current best bid at the end of the auction; and

notifying the winning seller of the successful current best bid.

72.   (New) The method of claim 71, further comprising:

notifying the buyer of the winning seller and the successful current best bid.

73.   (New) A method of claim 52, wherein the auction is a two-sided auction and wherein the bid is at least one of an offer to buy and an offer to sell, and wherein the bidding auction participant is at least one of a seller and a buyer.

74.   (New) A method of claim 73, further comprising:

registering at least one buyer and at least one seller of the item;

identifying at least one associated transformation for the at least one buyer and the at least one seller; and

establishing two-sided auction rules.

75.   (New) A method of claim 74, wherein the requesting auction participant is a buyer, and the second transformation function applied to the status data is the at least one identified transformation associated with the buyer.

76.   (New) A method of claim 74, wherein the requesting auction participant is a seller, and the second transformation function applied to the status data is the at least one identified transformation associated with the seller.

77.   (New) A method of claim 74, wherein the bidding auction participant is a buyer, and the transformation function applied to the bid is the at least one identified transformation associated with the buyer.

78.   (New) A method of claim 74, wherein the bidding auction participant is a seller, and the transformation function applied to the bid is the at least one identified transformation associated with the seller.

79.   (New) The method of claim 73, further comprising:

comparing the transformed buyer and seller bids to determine if there is a match;

binding a buyer and a seller for the terms set forth in their respective bids if their respective transformed bids match.

80.   (New) The method of claim 79, further comprising:

notifying the buyer and the seller associated with the matched bids that the bids have been matched.

81.   (New) The method of claim 52, wherein the bidding auction participant and the requesting auction participant are the same auction participant.

82.   (New) The method of claim 51, wherein the applying the transformation function to the bid further comprises:

identifying a desired configuration associated with the bid; and

modifying the bid to reflect the desired configuration.

83.   (New) The method of claim 82, wherein the modifying the bid further comprises:

comparing the desired configuration with price information to determine a price differential; and

combining the price differential with a bid price to generate the modified bid.

84.   (New) The method of claim 51, wherein the transformation function is a financial function.

85.   (New) The method of claim 84, wherein the financing function includes at least a first parameter identifying a type of financing instrument.

86.   (New) The method of claim 84, wherein the financing function includes information identifying at least one financing term.

87.   (New) The method of claim 84, wherein the identifying a financing function further comprises:

        receiving a request to establish a financing function;

        identifying a type of the financing function;

        identifying at least a first term of the financing function; and

        associating the financing function with the auction participant.

88.   (New) The method of claim 87, wherein the identifying a type of the financing function includes presenting a listing of available types to the participant for selection.

89.   (New) The method of claim 87, wherein the identifying at least a first term of the financing function includes presenting a listing of available terms to the participant for selection.

90.   (New) The method of claim 84, wherein the identifying a financing function further comprises:

        searching a plurality of pre-established financing functions.

91.   (New) A method for participating in an auction, comprising:

        registering to participate in an auction;

        establishing at least a first transformation function for use in the auction;

        submitting a bid on an item, the bid operated on by the at least a first transformation function to create a transformed bid; and

receiving a status of the auction, the status reflecting the transformed bid.

92.   (New) An exchange registration method, comprising:

receiving information identifying a participant; and

establishing, based at least in part on the information identifying the participant, at least one transformation function for the participant, the at least one transformation function for use in transforming bids made by the participant in at least one exchange.

93.   (New) A method for conducting an exchange, comprising:

receiving, from a first buyer, a first bid for an item;

identifying a transformation function associated with the first bid;

applying the transformation function to the first bid to produce a first transformed bid;

receiving, from a second buyer, a second bid for the item;

identifying a second transformation function associated with the second bid;

applying the second transformation function to the second bid to produce a second transformed bid; and

comparing the first and second transformed bids and accepting the best as the current best bid of the exchange.

94.   (New) An auction method, comprising:

presenting item configuration options to a participant;

receiving information identifying a desired configuration;

associating the desired configuration with the participant;

receiving a bid on the item from the participant;

modifying the bid to reflect the desired configuration; and

updating a status of the auction based on the modified bid.

95.   (New) A method for participating in an auction, comprising:

indicating a preferred configuration of an item offered in an auction;

viewing a status of the auction, the status modified based on the preferred configuration; and

submitting a bid on the item, the bid modified based on the preferred configuration.

96. (New) A method for operating a secondary auction, comprising:

receiving, from a participant, a request for an item;

identifying a primary auction offering the item;

receiving auction information from the primary auction;

presenting the auction information to the participant;

receiving, from the first participant, a bid on the item;

identifying at least a first transformation function associated with the first participant; and

applying the at least first transformation function to the bid to generate a transformed bid.

97. (New) A method for operating a primary auction, comprising:

receiving, from a secondary auction, a bid for an item, the bid having been transformed

by at least one transformation function associated with an entity submitting the bid; and

updating a state of the primary auction based on the bid.

98. (New) A method for establishing customized financing terms for use in an auction, comprising:

identifying a participant in the auction;

receiving a request from the participant to establish customized financing terms;

identifying a type of a financing instrument;

identifying at least a first term of the financing instrument to establish the customized

financing terms; and

associating the customized financing terms with the participant for use in the auction.

99. (New) The method of claim 98, further comprising:

receiving a bid on an item from the participant in the auction; and

applying the customized financing terms to the bid.

100. (New) The method of claim 98, further comprising:

receiving a request for a status of the auction from the participant;

applying the customized financing terms to the status of the auction to generate a transformed status; and

presenting the transformed status of the auction to the participant.

101. (New) The method of claim 98, wherein the identifying at least a first term of the financing instrument depends at least in part on a credit rating of the participant.

102. (New) A method for conducting an auction, comprising:

receiving a bid;

identifying an item and an auction based at least in part on the bid;

identifying at least a first customized financing term associated with the bid; and

updating a status of the auction to reflect the bid and the at least first customized financing term.

103. (New) The method of claim 102, further comprising:

determining if the bid is a winning bid of the auction; and

settling the auction based on the at least first customized financing term.

104. (New) The method of claim 102, further comprising:

identifying a type of financing instrument based at least in part on the bid.

105. (New) The method of claim 102, wherein the determining includes:

comparing the bid with a second bid to identify a best bid.

106. (New) The method of claim 105, wherein the comparing further comprises comparing the at least first customized financing term of the bid with at least a first customized financing term of the second bid. --